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The History and Causes of Minimum Wage Legislation in Australia and New Zealand

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THE HISTORY AND CAUSES OF MINIMUM WAGE LEGISLATION IN AUSTRALIA AND NEW ZEALAND

BY

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I HEREBY RECOMMEND THAT THE THESIS PREPARED UNDER MY SUPERVISION BY

Burley Frank Lamb

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CHAPTER I.

Economic and Political Conditions Leading to Minimum Wage Legislation in Australasia.

* * * * *

The first factory acts in Australia and New Zealand were passed in 1873, twenty-one years previous to the adoption of compulsory arbitration in New Zealand and twenty-three years before Victoria passed her minimum wage law. During this period of a little more than two decades the economic and political conditions which made minimum wage legislation necessary, were rapidly evolving. Industries developed with tremendous rapidity. The line of cleavage between employers and employees became more and more prominent. At the close of the period all of the evils of sweating, strikes, lockouts, etc. were known in every industrial center. Labor unions became powerful and achieved more or less of success. But they did not accomplish all that the laboring classes had hoped. Consequently, 1890 and following years witnessed the entrance of labor into the political arena. Either by the formation of independent political parties or by the union of their forces with parties already progressive, the laborers of every colony exerted an effective influence for advanced labor legislation. Many laws for the protection and advancement of the working classes were placed on the statute books. In short, the period was characterized by rapid economic changes and radical political action. And it is this period with which we are mostly concerned in the present chapter. Before we can have a complete understanding of this important pe-

riod, however, we must first have in mind the conditions which gave rise to such growth. Consequently, the present chapter will give, first, a brief *résumé* of the industrial life of the colonies from the discovery of gold in the early fifties to the first factory act in 1873, and then a more detailed discussion of the conditions existing between 1873 and the adoption of the minimum wage policy in the various colonies in later years.

General Economic Conditions. Before the discovery of gold in Victoria, Australia was chiefly an agricultural country. Immediately afterwards, however, thousands of farm laborers went to seek their fortunes in the mines. Many farms were utterly abandoned and the managers of others could not obtain the necessary help to harvest their crops and herd their sheep and cattle. But it was not long until immigrants came pouring into the country by the thousands hoping to make their fortunes in the gold mines.* The young and strong were able to make high wages, but others could not stand the hardships of the mines and sought employment in cities and country districts. The influx of immigrants and the development of mines created a very notable increase in the demand for commodities. The result was a rapid rise in prices and wages. The gold fields had enticed men to leave the farms, but increased prices now stimulated agriculture. Thus a rapid increase in the number of acres cultivated quickly followed the decline caused by the rush to the gold fields. In 1850 there were 491,364 acres under cultivation in Victoria. This number fell to 458,165 acres in 1854 and then increased to 1,037,110 acres in 1860. The increase in prices also promoted an increase in the importation of commodities, which more than offset the increase in

* The Victorian Year Book, 1876, p.13.

the exportation of gold. Gold production, however, was doomed to decline. While there was a slight increase in the output of New South Wales between 1859 and 1862, the great decline in Victoria brot the average down to a considerably lower level than that of the few preceding years. The gold miners of Victoria were forced to seek employment elsewhere. There was a great demand for land for agricultural and grazing purposes and every colony in Australia witnessed the rapid development of her agricultural industry. But Victoria, because of her gold mines, had become the leading state.*

Parallel with the development of mines appeared many new manufacturing establishments. In 1864 Victoria could boast of 705 manufacturing plants.† While this number was not large and represented many small establishments, employing only three or more laborers, yet it is significant because it marks the beginning of a long and remarkable period of industrial development. During the period between 1864 and the passage of the first factory act in 1873, Victoria took the lead in both importation and exportation. She adopted the protective tariff policy and her industries developed rapidly. Melbourne, her capital city, became the center of finance and the largest city on the continent.‖ In 1860 New South Wales led the colonies of the continent in manufacture but in 1871 Victoria was well in the lead. The following table shows the number of hands employed in manufacture in all five of the continental colonies in both 1862 and 1871.

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* Statistical Report of the Seven Colonies of Australia and New Zealand, 1902-03, pp.609-619.

† Victorian Year Book, 1876, p.150.

‖ *Ibid.*, p.59.

TABLE I.

HANDS EMPLOYED IN 1862 AND 1871.*

	1862	1871
New South Wales	12,225	13,583
Victoria	6,405	19,569
Queensland	4,966	5,518
South Australia	5,066	5,829
Western Australia	573	414

It will be observed from this table that the number of hands employed in Victorian manufacture increased in the ten years named more than 200% while there was but a slight increase in each of the other colonies. At the end of this period the leading industries of Victoria were breweries, clothing, boot and shoe, saw mills, joinery works, tanneries, iron foundaries, potteries, brick works, tobacco factories, sugar mills, engineering establishments, and flour mills.† This was a much greater variety of manufacturing than existed in 1862. But along with the development of industry came the usual attendant evils of the ordinary factory system. And it was to remedy these evils that Victoria passed her first factory act in 1873. The chief features of the act were the limiting of the hours of labor for women to eight and the restriction of child and women labor. The first factory act of New Zealand, passed the same year, was modeled after that of Victoria and made similar provisions.‖

Such was the status of industrial affairs among the colonies when they passed their first labor legislation. Manufacture, speak-

* Statistical Account of Australia and New Zealand, 1903-04, p.630.
† Victorian Year Book, 1876, pp.147-150.
‖ Statistical Account of Australia and New Zealand, 1902-03, p.648.

ing relatively, was still in its infancy. Agriculture was the leading industry and mining was of second importance. But the early date at which Victoria and New Zealand struck at the evils attendant upon the factory system of manufacture illustrates the attitude which the governments of the colonies were to assume toward their labor problems in succeeding years. Many labor laws, of which minimum wage legislation is but one, were passed at an early date when compared with other industrial nations. The immediate economic and political conditions which made such legislation necessary will be the subject of our attention during the remainder of the present chapter.

Witness, first, the decline in the production of gold and the increase in the agricultural and pastoral products. Between 1871 and 1888, the amount of gold produced in Victoria decreased from 1,355,000 ounces to 625,028 ounces* annually, while that of New South Wales declined to less than 145,000 ounces.† On the other hand, Queensland increased her production from 310,000 ounces in 1878 to 576,439 ounces in 1891.‡ Gold was not discovered in Western Australia until the nineties and in 1895 the product was only 297,000 ounces.‖ The decline in the production of gold in New South Wales and Victoria, the two leading continental colonies, was slightly offset by the increase in the production of other minerals; such as, coal, lead, tin, copper, and silver, but on the whole, there was a decline in the mining industry in both of these colonies.

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* Victorian Year Book, 1888-89, p.291.
† Statistical Register of New South Wales, 1901, p.944.
‡ Queensland Year Book, 1901, p.284.
‖ Western Australian Year Book, 1902-04, p.966.

On the other hand, the pastoral and agricultural industries made great strides. The number of acres in the commonwealth under cultivation was increased from 2,491,023 acres in 1872 to 5,430,221 in 1893, which is equivalent to a doubling in 21 years, while the product was nearly doubled in the same period. The increase was greatest in South Australia; Victoria was second; while in New South Wales it was the least. The population of Western Australia was too small to make agriculture of any great importance at that time. The increase in the pastoral product of the Commonwealth may be noted from the following table.*

TABLE II.

PRODUCTION OF CATTLE, SHEEP, AND WOOL IN 1871 AND 1893.

Year	No. of Cattle	No. of Sheep	Pounds of Wool
1871	4,277,228	40,072,955	211,413,500
1893	11,546,833	99,799,759	601,085,000

In New South Wales the annual production of wool increased more than 500%, while in Queensland the number of cattle raised increased over 600%. The result of the rapid development of agriculture and pastoral industries was that the supply of products exceeded the demand and toward the close of the period prices fell rapidly. They began to fall as early as 1877, but the great slump came between 1890 and 1893. The total decline amounted to about 49%, 30% of which came during the last three years and as the cost of production did not decline correspondingly, both industries were greatly handicapped.

The above industries have been thus considered because of the

* Statistical Account of Australia and New Zealand, 1902-03, p.636.

important part they were to play later in the passage of labor legislation. New Zealand has been left out of consideration thus far because of the fact that there are no accurate data available for the early part of this period. Census statistics for the islands were not taken until 1886.

Coming now directly to the manufacturing industry we find that it prospered even more than did agriculture, especially in Victoria and New South Wales, the two states with which we are most concerned at the present time. Both states realized a steady but rapid increase in the number of establishments as well as the number of men employed until the latter part of the eighties when there was a rapid decline ending with the panic of 1893. In 1874 Victoria employed only 28,036 men in her factories but in 1889 she employed 54,488.* This number rapidly declined to 39,473 in 1893. New South Wales had a similar experience. In 1889 she employed 45,564 men in her shops, whereas in 1893 the number had fallen to 38,918. The year 1889 was the most prosperous for both colonies.† Victoria made the greatest progress and suffered most from the reaction. She was also the first of the continental colonies to pass advanced labor legislation.

While New Zealand is 1400 miles from the continent of Australia, her industrial experience was very similar to that of the colonies of the continent. Between 1881 and 1886 the number of manufacturing establishments in New Zealand increased from 1,643 to 2,268 or an increase of 38%. Between 1886 and 1891 the increase

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* Victorian Year Book, 1876, p.150; 1889, p.278.

† Statistical Account of Australia and New Zealand, 1902-03, pp.636,637.

was much less, being only about 13%. The increase in the number of employees followed a similar course. In 1881 there were 16,599 men and 1,399 women employed in manufacture. In 1886 these numbers had increased to 23,161 men and 2,494 women, the increase in the former being 62% while that of the latter was 112%. But the increase during the next five-year period was only 16% for men and 19% for women, the actual number employed in 1891 being 26,911 men and 2,969 women.* While these figures indicate that the increase during the latter period was less than one-fourth that of the former, they do not point out the whole truth. Evidence will be given later on in the chapter to show that even tho there was an increase in the number of laborers employed between 1886 and 1891, the increase was all during the early part of the period and during that part it was even greater than the figures would indicate but during the latter part of the period and the succeeding two years there was an actual decline in the number of men employed similar to the decline in Australia.†

A partial explanation of the rapid progress in industrial development in both Australia and New Zealand and the depression which followed can be found in the extravagance of the various governments in borrowing money from foreign countries and investing it in public undertakings. The construction of railroads was of chief importance. In 1873 there were but 1498 miles of railroad in Australasia but in 1893 this number had increased to over

* New Zealand Year Book, Vol.ii., pp.131,132.

† These dates have been used simply because they are the ones on which the census was taken and figures for the period of the depression, 1889 to 1893, are not available.

12,796 miles.* New South Wales was the colony to head the list in borrowing. In 1870 her public debt was only £9,681,130; in 1880 it was still below £15,000,000; but in 1890 it had risen to £48,385,333.† Victoria was not quite so extravagant. Her debt, however, increased from £11,924,800 in 1870 to £41,377,693 in 1890.‡ Between 1872 and 1882, Queensland borrowed on the average about £900,000 annually, whereas, between 1882 and 1892 she borrowed between one and two million pounds annually.§ South Australia scarcely ever fell below £1,000,000 and often borrowed as high as £1,750,000 in a single year. Western Australia was the only colony that did not overdo the matter of public borrowing. In 1891 her debt was only £1,613,000.‖ New Zealand borrowed to such an extent that by 1891 her total debt amounted to £38,844,914.‖ In addition to the income from borrowing, the colonies, especially New South Wales and Victoria, received a large revenue from the sale of public lands. Bearing in mind, then, that each of the colonies in the latter part of the eighties was borrowing on the average approximately £4,000,000 annually and investing it in public improvement, it is not difficult to agree with T. A. Coghlan, government statistician of the Commonwealth, when he said that these state governments held a "preponderating influence in the labor market of the continent."

But the colonial governments were not the only instruments for bringing capital into the country. Private individuals and companies were both bringing and borrowing capital from European

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* Statistical Account of Australia and New Zealand, 1902-03, p.330.
† Statistical Register of New South Wales, 1901, p.1014.
‡ Victorian Year Book, 1908-09, p.152.
§ Queensland Year Book, 1901, p.337.
‖ New Zealand Year Book, Vol.2, p.108.

countries and investing it in the colonies. The years between 1870 and 1890 witnessed the influx of about £42,000,000 of private capital into New South Wales alone. The citizens of Victoria brot in £42,500,000, while those of Queensland borrowed from Europe more than £18,500,000. New Zealand was next on the list with a total amount of £15,620,000. The larger portion of this capital reached the colonies between 1886 and 1890 and was the largest contributing factor toward making this period the zenith of Australasian industrial progress.* As has already been pointed out, manufacturing establishments multiplied rapidly. The demand for labor was greatly increased. Wages and prices rose with extreme rapidity, until they reached the highest point to which they had risen since the golden period of '55 to '57. The exceptional conditions enticed immigrants to come into the colonies in great numbers and the excess of immigrants over emigrants reached the total of 722,016 between 1871 and 1891.† Banks were established in every important village until there was one for every 3,000 inhabitants. Deposits in the Commonwealth and in New Zealand were increased from £28,000,000 in 1871 to over £138,000,000 in 1891, the year of largest deposits.‡ On the whole, the period up to 1889 was one of great prosperity.

But this phenomenal growth was not always to last. Factory development and public improvements had proceeded much more rapidly than the country would stand. The markets of the colonies had been overcrowded and the inevitable result was a falling of prices, followed by the restriction of production, the glutting of the la-

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* Statistical Account of Australia and New Zealand, 1901-02, pp.757-761.

† *Ibid.*, 1902-03, pp.170-172.

‡ *Ibid.*, p.731.

bor market, the withdrawal of capital and the crisis of 1893. The eastern states were first to cut down on both public and private borrowing. The total amount of capital brot into the country by the colonial governments fell from £10,000,000 in 1890 to less than £3,000,000 in 1892, and from 1893 to 1895 the withdrawal of capital exceeded the importation.* The result was that 40,000 men previously employed by these governments were thrown out upon the labor market to compete with the laborers in private industry and the labor market was completely disorganized. The extravagant expenditure of New South Wales had enticed laborers to come there from other colonies. Consequently, there were already some 15,000 men out of employment in this colony when the restriction of public expenditure increased that number to 27,000. There are no statistics on the number of unemployed in New Zealand, but it is evident that employment was extremely scarce since laborers left the country in great numbers in the search for work. While in 1883 the number of arrivals exceeded the number of departures by 10,000, during the period between 1886 to 1891 the number of departures exceeded the number of arrivals by 17,000.† These figures would indicate that the reaction after the period of rapid development was similar to that in Australia.

The general effects of the crisis were many and far reaching. Money was at once withdrawn from business and many banks utterly failed. Prices in foreign markets fell, foreign trade greatly declined, and the profits of capital were reduced. Manufacturers attempted to decrease wages and thus force labor to share the loss.

* Statistical Account of Australia and New Zealand, 1901-02, pp.761,762.
† New Zealand Year Book, Vol.ii, p.168.

Labor refused and the result was a long series of unsuccessful strikes. Many shops were closed entirely while others kept open but employed fewer workmen. In short, the whole country was filled with men seeking employment when there was no employment to be had. "The most detrimental effect produced by the 'boom' as it is called, was the withdrawal of large bodies of men from productive pursuits and the derangement of the labor market which immediately followed."*

The inevitable result was that wages were forced down. They began to fall in some industries in the latter part of the eighties and in 1890 there was a general decline of 24¢ per day, on the average, in all industries.

TABLE III.

WAGES PAID IN THE PRINCIPAL CITIES OF AUSTRALIA.†

	Melbourne		Sydney		Adelaide		Brisbane	
Trade	1880-1891	1892-1896	1880-1891	1892-1896	1880-1891	1892-1896	1880-1891	1892-1896
Carpenter	$2.57	$1.80	$2.49	$2.17	$1.94	$2.07	$2.67	$2.03
Bricklayer	2.61	1.82	2.75	2.35	2.19	2.19	2.67	2.25
Mason	2.63	2.07	2.63	2.17	2.23	2.19	2.39	2.71
Plasterer	2.61	1.86	2.73	2.07	2.55	2.15	2.43	2.15
Painter	2.19	1.62	2.39	1.94	2.15	1.94	2.43	1.82
Blacksmith	2.83	2.43	2.55	2.07	2.31	2.07	2.67	2.03
Boilermaker	2.88	2.55	2.39	2.19	2.31	2.43	2.67	2.03
Common Laborer	1.64	1.46	1.94	1.46	1.58	1.64	1.46	1.46

In 1893 they began a still more rapid decline reaching their lowest

* T.A.Coghlan, Seven Colonies of Australia and New Zealand, 1903-04, p.639.

† Statistical Account of Australia and New Zealand, 1902-03, pp.644,645.

level, in most trades, in 1895. However, the wages of common labor was depressed two years longer. The preceding table illustrates the general decline in wages. The average wage is given for the periods of 1889 to 1891 and 1892 to 1896 and is confined to the chief industrial centers. It will be observed from this table that the reduction in South Australia is not so great as in the other colonies. In New South Wales, Victoria, and Queensland it was in some cases as high as 25%.

There are no figures available for New Zealand by which we can accurately compare the average wages of all trades previous to 1891. But "it is generally agreed," says V. S. Clark, "that wages fell gradually from 1880 to 1895." The decline for some particular occupations is known and can be found in Table IV. The average yearly wages of male factory hands throughout New Zealand in 1891 is found to have been $366.25, while that of female factory hands was

TABLE IV.

AVERAGE WAGE IN CERTAIN OCCUPATIONS OF NEW ZEALAND.*

Occupation	1874	1884	1896
Blacksmiths	$2.62	$2.43	$2.19
Bricklayers	2.80	2.74	2.43
Carpenters	2.62	2.31	2.19
Masons	2.92	2.74	2.49
Painters		2.31	2.07
Plumbers		2.62	2.35
Common Laborers	1.70	1.70	1.64

$168.82. The general average for both was $343.38.* Table V gives the average wage of ten of the chief industries of the continent in 1891. The industry employing the largest number of hands and

* United States Bulletin of Labor, Vol.VIII, p.1163.

at the same time paying the lowest wage was the clothing and boot industry. In contrast with the extremely low wage paid in the clothing trade is the comparatively high wage paid in the flour mills. Between these two extremes are to be found all grades of wages. It is evident, then, that the evils of the low wage were to be found only in a few industries. The majority of establishments were paying their employees wages which would enable them to maintain themselves in reasonable efficiency.

TABLE V.

TEN PRINCIPAL MANUFACTURES OF NEW ZEALAND IN 1891.*

Industry	No.Estab.	No.Laborers	Ave.Wage
Meat Freezing and Preserving	76	1652	$427.60
Tanning and Wool Scouring	104	1196	376.15
Creameries	74	269	270.06
Sawmills	243	3266	405.01
Clothing and Boot Factories	82	3345	267.72
Printing	142	2569	405.73
Flour Mills	129	499	510.87
Breweries	129	563	541.97
Foundaries and Machine Shops	79	1787	428.29
Woolen Mills	8	1175	327.36

Sweating. On the other hand, it is not difficult to understand that those laborers receiving the lowest wages were not able to maintain a decent standard of living. The high cost of living in the islands made it impossible for a man receiving less than $270 annually to furnish himself and family with the absolute necessities of life. According to the report of the sweating commission of 1890 it cost no less than $117.86 on the average per annum to

* United States Bulletin of Labor, Vol.VIII, p.1163.

furnish the laborer a cottage in which to live. In Aukland, this sum was the minimum for which a four-roomed cottage could be secured. In addition to this the United States consular general in Aukland stated that the ordinary household expenses were 40% higher than in San Francisco at the same time. In June eggs sold for 43¢ per dozen, potatoes at 60¢ per bushel, flour at $1.44 for a 50-pound sack, lignite coal at $7.50 per ton. Kerosene, gas, boots and shoes, clothing and all manufactured articles were higher than in the United States. Laborers who hired their board were forced to pay from $3.65 to $4.87 per week. Many female laborers did not get a wage sufficient to pay their board to say nothing about clothing, housing, and other necessities of life. They were forced to work long hours and under unsanitary conditions. V.S.Clark states that all the members of the sweating commission of 1890 were agreed "that women and children were working long hours, sometimes for less than a living wage, and frequently under conditions that were prejudicial to the health of both the workers and the users of the articles they produced. Those dependent entirely on their own efforts for support were subjected to a kind of competition especially pernicious——that of thrifty housewives and daughters of families in better circumstances who undercut the professional trades-women for the sake of a little pocket money made in leisure hours. Women made 50-pound flour sacks for 61¢ per gross, furnishing the thread and carrying the goods to and from the factory. Shirt makers earned about $3 per week, working many hours, sometimes until late into the evening." *

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* United States Bulletin of Labor, Vol.VIII, pp.1165-72.

The Otago Daily Times of Dunedin, New Zealand, was the first and chief instrument by which sweating was made known to the public. In its own words, "the exposure showed a sorry state of affairs among the seamstresses in the town." One woman stated that in order to earn 85¢ per day she must work from 8:30 in the morning until eleven o'clock at night. Some women were found to be working all day long at the factory and then taking work home with them at night in order to make $3.40 per week. Others were working through Sundays in order to increase their income to $2.91 per week. Such were the deplorable conditions of many working women when the agitation was begun for some form of governmental interference to protect the sweated worker from the exploitation of unscrupulous employers. The agitation resulted in the arbitration law of 1894.*

The Age newspaper did for Victoria what the Otago Times did for New Zealand. As early as 1880 it revealed the fact that sweating existed in Victoria in spite of the apparent prosperity of the laboring classes. The revelations of this paper led to the appointment of a government commission in 1884. The commission made careful investigation of many factories and found that even though the legal working day was eight hours, many men were compelled to work as high as eighteen hours per day while women labored as long as sixteen. The common rate of wages was constantly undercut by sending work out to be done in the homes at extremely low rates. Children were taken into the trades as apprentices, kept for two or more years without any pay whatsoever, and then discharged as soon as they began to think of demanding pay of any sort. The Age

* Reeves, State Experiments in Australia and New Zealand, Vol. II, pp. 27-36.

stated in 1890, "It is abundantly certain that sweating——mean, frowsy, depraved, and pitiful——is carried on in Melbourne to a degree hardly less horrible than in London." In the tailoring trade work was given to outworkers at rates 40% below the standard. The average worker could thus earn but $2.73 per week. In 1893 the Age came forth with its third attack upon sweating. This attack was during the very worst of the crisis. The government appointed another board of investigation and it was discovered that the evils of sweating were much worse than they had ever been before. Machinists in the shirt makers trade were making only $1.22 per week. Men's suits were made for 49¢ and afterwards sold for $9.73. Some workers were able to earn $1.94 per week by working almost constantly.

In conjunction with the bad times the competition of the Chinese workmen had brought the wages in the furniture trade down to one-half and in many cases one-third of what they had been in normal times. In the early part of the eighties it was nothing uncommon for a laborer in the furniture trade to make as high as $2.43 or $2.91 in a single day. But when the hard times approached the demand for furniture was almost entirely confined to the cheap product of the Chinamen. They established themselves in nearly every center. In spite of laws restricting their immigrating they worked their way into the country in great numbers. They were able to live on much less than the native workmen. Their competition reduced the number of native workmen from 1240 in 1891 to 471 in 1893 and wages were forced down to as low as from 61¢ to $1.22 per day. Employers played the Chinese and native workmen off against each

other and threatened to reduce wages another 20%. Refusing to work at such reduction, the workmen entered upon a general strike and then finally went back to work at a 7% reduction.

The conditions in the furniture trade only illustrate the conditions prevailing in many industries. Until 1896 and 1897 the "lot of the working people grew steadily worse." In some shops girls were forced to work for 90 hours per week and in many cases those who did the hardest work received the lowest pay. It was not uncommon that they should receive but $1.46 for their week's work, and then have to pay 61¢ for their rooming place. Women worked in laundries for extremely long hours at low pay when the temperature ranged about 110 degrees. In 1895 there were many factories that paid their laborers absolutely no wages at all under the pretense of apprenticeship. These deplorable conditions obtained until after the adoption of the minimum wage law in 1896.*

In many respects the conditions in New South Wales were similar to those of Victoria, but they were not so extensive; neither did they appear at so early a date. The first factory act of New South Wales was not passed until 1897, twenty-four years after the first act of Victoria was passed. Labor unions, however, had secured recognition of the eight-hour day in many trades and the large factories, in which labor unions were strong, maintained tolerably good laboring conditions, but in small workshops the evils of sweating were nearly as bad, between 1897 and 1901, as they had been in Victoria before 1896. The similarity between the conditions of New South Wales and Victoria makes it unnecessary to go into detail

*. The foregoing facts are taken from Reeves, State Experiments in Australia and New Zealand, vol.II, pp.4-17.

relative to sweating in the former colony. As Mr. W. P. Reeves states, "the same want of combining and resisting power among seamstresses led to the same grinding down of wages and piece-rates." The instance of a seventeen-year old girl having to work in a shop 92 hours per week at the rate of a penny per hour, is sufficient to point out the fact that factory hands as well as outworkers were being exploited. It was estimated that $3.64 per week was the minimum of subsistence for a single woman yet many families were forced to survive on that amount. Such conditions could not long be tolerated and the laboring classes resolved to support a compulsory arbitration law similar to that of New Zealand. They were successful and the law went into effect in 1901.*

While sweating was more extensive in the large industrial centers of Victoria and New Zealand, it gradually spread to the smaller cities of Queensland. Brisbane was scarcely one-quarter the size of Melbourne, yet in 1893 a member of parliament stated that "there were hundreds——nay thousands——in the city who had to battle fiercely to secure even a starvation wage." Since the industrial system of Brisbane was on a smaller scale, sweating affected fewer workpeople. Yet in other respects it was the same. In 1896 there were more than 2,000 women and girls employed in industry in Brisbane. Many of them received no wages at all but served as apprentices. There was a total of 1350 in the city who worked for $2.43 or less per week. Twenty-two and one-half per cent of all factory hands were required to work overtime. Women working in laundries within 30 degrees of the equator were compelled to labor long days in gal-

* Reeves, State Experiments in Australia and New Zealand, Vol.II, pp.17-22.

vasized iron buildings with low roofs, at extremely lo. pay. These conditions justified a stringent factory law and one was passed in 1899* to which was added an amendment providing for minimum wage boards in 1908.

South Australia enacted a minimum wage law similar to that of Victoria before sweating had gained a very good hold upon her industries. Not until after New South Wales and Victoria had begun to enforce laws against sweating did it spread to South Australia, but that it did gain a hold in the latter colony is only too evident. The chief inspector of factories of that colony stated in the early part of the year 1900 "that sweating does exist and is fast gaining ground, is only too evident. Every year the prices paid, fall lower and lower, till it is only by down-right slavery that those employed can manage to earn enough to procure the necessities of life." The evil effects of outwork and of Chinese competition were the same in South Australia as in the other colonies. People literally starved because of the lack of proper food. This colony did not delay but passed the minimum wage law during the same year of the investigation (1900).†

Thus far in this chapter we have sketched the economic conditions leading to the adoption of minimum wage legislation in Australia and New Zealand. We have traced the change from agricultural to manufacturing colonies with both its good and bad effects. We have pointed out the fact that in every colony sweating resulted from a system of capitalism and competition making necessary gov-

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* Reeves, State Experiments in Australia and New Zealand, Vol.II, pp.23-25.

† *Ibid.*, pp.25-27.

ernmental interference in behalf of labor. The remainder of the chapter will be devoted to a discussion of labor unions and their attempt to cope with employers independent of governmental action. Failing in this they entered the political field and gained sufficient power to secure much legislation in their own behalf, of which mimimum wage legislation was perhaps the most important.

Labor Unionism. The homogeneity of the population of Australasia made it especially well adapted to the formation of strong labor organizations. Almost the entire population in the early nineties was made up of English speaking people. Ninety-five percent of the inhabitants of Australia were born in Australia, England, and her colonies, while only 5% were born outside of England and her colonies.* Of New Zealand's population about 59% was native born, 38% born in England and her colonies while only 3% was foreign born.† In addition to the fact that most of the laborers spoke the same language a very large percentage of the people lived in cities where they could easily organize. In 1881, 32% of Victoria's population lived in Melbourne; 29% of the population of New South Wales lived in Sydney; while Adelaide claimed 37% of the citizens of South Australia.‖ In 1891 there were 1914 more industrial laborers in New Zealand than agriculturalists and graziers. Besides being well located for organization, the short working day established by the laws of 1873 gave them more time both for organization and for political agitation. The great droughts which were even worse than the business depression, set them to thinking about labor programs

* Statistical Account of Australia and New Zealand, 1901-02, p.545.

† New Zealand Year Book, Vol.ii, p.62

‖ Statistical Account of Australia and New Zealand, 1901-02, p.543.

and social theories. The result was that trade unionism, based on the Englisd system, became strong at an early date. In 1885, out of a population of 3,000,000, trade unions possessed a membership of 150,000, the proportion of the population in trade unions being 50% larger than obtained in the United States twenty years later.

The first trade union congress was convened at Sydney in 1879; the second, at Melbourne in 1884. At the latter there were 69 delegates of whom 50 were from Victoria, 15 from New South Wales, and 4 from South Australia.* The keynote of this meeting was "general coöperation among labor unions." The congress went on record as opposed to further assistence to Chinese immigration and the importation of convict labor. It was divided on the policy of protection, but stood for the legalized eight-hour day, additional factory and shops acts., employers' liability laws, and the policy of "one man one vote." There was no discussion of nationalization of industry, neither was there anything said about compulsory arbitration or minimum wage laws. There was some discussion, however, of attempting to elect some workingmen as representatives to the various parliaments to hold the balance of power and thus gain some desired legislation, altho they did not consider the formation of separate political parties.†

The fifth congress was held at Brisbane in 1888 and it was here that socialistic sentiment first voiced itself in Australian labor conventions. The following resolutions, which were adopted by a unanimous vote of the convention, illustrate very concisely the attitude which labor was beginning to assume toward governmental

* Commonwealth Year Book, Vol.i, p.865.
† United States Bulletin of Labor, Vol.x, pp.20,21.

affairs. The first read, "Resolved, that it is the opinion of this congress that a simple yet soverign remedy which will raise wages, increase and give remunerative employment, abolish poverty, extirpate pauperism, lessen crime, elevate moral tastes and intelligence, purify government, and carry civilization to yet nobler heights is to abolish all taxation save that on land values." The second one read, "Resolved that in the opinion of this congress it is desirable that the various trades and labor councils should formulate an electoral program in accordance with the resolutions come to at this and preceding congresses for the support of all interested in labor and the acceptance of all parliamentary candidates. That no candidate who does not adhere to the labor program shall receive the support of the labor party."* It is evident from these resolutions that, as early as 1888, labor had begun to recognize the advisability of resorting to political action in order to relieve the undesirable conditions of their class.

A trade union crisis immediately followed the congress of 1888 and resulted in the formation of distinct labor parties with definite political aims. At the beginning of the crisis the difficulty was not one of wages but was a question of the relative authority of employers and employees. Between 1886 and 1891 strikes and labor disputes followed each other in rapid succession. Between 1886 and 1887 a strike involving many southern district collieries of New South Wales produced much suffering. Six thousand coal miners of the northern part of the colony struck the following year. Immediately after the labor congress at Brisbane 40,000 laborers

* United States Bulletin of Labor, Vol. x, p.22.

ceased work and the shearers' strike of the latter part of the same year involved 20,000 more laborers. The Broken Hill miners' strike of 1892 added still further to the distress of the colony.* The dock strike in London occurred in 1889 and its influence quickly spread to Australia and New Zealand. In the latter colony it resulted in a sympathetic strike of the maritime workers which was the greatest the islands had ever witnessed. In a mistaken attempt to involve the railway employees in the dispute the strikers of New Zealand aroused public sentiment against them. The result was that the government took the side of the employers and the strike was an entire failure. In fact, even on the continent where strikes were widespread involving many industries the government always sided with employers and the laborers lost nearly every fight during the whole five years.

The Political Labor Movement. The total failure of labor to achieve its desired results thru labor union action led to the entrance of labor into politics. The movement was nation wide but in each colony it assumed a little different form. The continental colonies formed independent labor parties while in New Zealand labor simply united its forces with the existing Liberal or Progressive party and remodeled its platform. In Victoria, previous to 1892, and in Queensland previous to 1890, all radical progress was billed by a union of political leaders, but in New Zealand and South Australia there were radical parties led by Balance and Cockburn, respectively, as early as 1890.

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* New South Wales Year Book, Vol.i, p.29.

All labor parties were tinged with socialism, but it was socialism of the conservative type. They did not believe in revolutionary methods but in opportunism. They favored compulsory arbitration, minimum wage laws and other forms of labor legislation not as steps toward nationalizing industry, but "in order that the workers might obtain, by peaceful and regular methods, a little more than a living wage and the barbarism of strikes and lockouts be abolished." The motto of the Queensland labor party paper, The Worker, was "Socialism in Our Time." but it went on to say in 1895, "we plead with the people not to be led away by extravagant interpretations put upon our methods and speeches by the opponents of reforms of any and all kinds.******* We do not ask that all our political program should be set in operation at once by a single parliament. We know that cannot be, such a thing being contrary to the laws of evolution and that spirit of compromise which is said to be civilization. Because we range ourselves under the flag of 'Socialism in Our Time' we cannot expect to realize a perfect collectivist state in our day any more than the follower of Christ can hope to establish in his time on earth peace, good will toward men." * The practical objects of the parties were more democratic than social. They believed in collectivism, but at the same time they believed in wages, profits, and the conditions of capitalist production as matters to be accepted in present legislation. They had faith that the state could, by some means, make it possible for every laborer to earn at least a living wage and it was to this end that they directed their political efforts.

* Reeves, State Experiments in Australia and New Zealand, Vol.i, pp.67-73.

In New Zealand from the earliest times there was a growth away from individualism, and the liberal element maintained power for two years as early as 1877 to 1879. The unstable conditions of the islands, however, led to the union of the conservative and liberal elements in 1884, the conservatives holding the balance of power until 1891 when the radicals took the lead. Previous to 1889 the very limited extension of the franchise enabled the conservatives to maintain control. Many young men left the country because of the political conditions. But the electoral reform of 1889 extended the franchise and enabled public sentiment to be more effectively expressed. The time was ripe for both land and labor reform and farmers and laborers banded together to achieve it. In 1891 a coalition of the unionists with the Progressive party won a decided victory at the polls. Their great success was unexpected and the results were widespread and lasting. They did not form a separate party but nevertheless they elected five labor candidates to the House. The twenty other Progressives elected were also pledged to the labor program and owed their election to the labor vote. A Progressive cabinet went into power the same year and the program of the party was thus carried through parliament in an "uncompromising manner."

The land question was the first to face the party. Speculators had secured and were holding large tracts of land, 31 men holding more than 2,802,000 acres. The great issues before the party were (1) the breaking up of large estates, (2) public land administration, and (3) taxation. In 1891 the property tax was abolished and a tax on unimproved land values substituted in its place.

The personal property tax gave place to the graduated income tax the same year. Taxation was thus used to check large land holdings and stop the accumulation of large fortunes. There were also several labor laws passed during the first year the party was in power such as the factory act, the truck act, and an amendment to the employers' liability act of 1882. During the second year the workingmen's lien law went into effect. During the third, laws were passed protecting wages in case of insolvency and providing for weekly payment of wages. It was also during 1893 that the franchise was further extended and women were given the ballot on equal terms with men. At the following election, 90,000 out of 140,000 qualified female electors cast their first ballots. This aided the cause of the Progressives and greatly swelled their majority. Consequently, at the following session of parliament they were able to pass the most important of their labor legislation, the conciliation and compulsory arbitration law which had been defeated on three previous occasions.* Many other advanced labor laws were soon passed, such as, workingmen's compensation and prohibition of child labor, until New Zealand has more than half a hundred of advanced labor laws among her statutes.

South Australia as early as 1884 had a labor council which met for political purposes. In 1887, they were able to elect seven out of nine representatives whom they supported. These representatives were not laboring men, however, but men who had pledged themselves to the labor program. In 1890, they elected 14 out of 20 candidates pledged to their program. But even then they did not secure

* Statistical Account of Australia and New Zealand, 1901-02, pp.245-250.

the legislation they desired. Consequently, they immediately levied an assessment of 37% per member for campaign purposes and in 1891 they voted only for wage earners. That year they elected three members to the upper house of the legislative body. One year later they elected eight members to the lower house. At their next convention they united with the agricultural classes and remodelled their platform to draw the farmers' votes.* Their aim was to secure, if possible, twelve seats in the lower house and six in the upper. This would be only one-fourth of the members of both houses but it would enable them to hold the balance of power. They did not accomplish their entire purpose, but by coöperating with the radical party led by Cockburn and Kingston they were able to secure much advanced labor legislation. As a party they maintained their separate organization and supported only laboring men for their candidates, but in parliament they united their votes with the liberals.† Some of the laws which they secured were, compulsory free education up to the age of thirteen, reforms in the land tax, creation of a labor department, workingmen's lien law, shop and factory act, early closing act, employers' liability law, and the conciliation and arbitration act.*

The labor movement in Victoria followed about the same course as it did in South Australia. Previous to the adoption of the minimum wage law, however, the laborers were able to elect only five out of ninety-five members of the lower house and none of the upper house. They were the most conservative of all the colonies. Yet

* United States Bulletin of Labor, Vol. X, pp.25-27.

† Reeves, State Experiments in Australia and New Zealand, vol. I, pp.81,82.

they did exert much influence toward bringing about the passage of the minimum wage act. Mr. Pemberton Reeves in speaking of Victorian politics states, "If the Victorian labor politicians have done nothing else, they have fully justified their existence by helping to obtain the well-known Factories' and Shop act of 1896. This, containing as it does the principle of state regulation of wages as well as hours, is one of the most remarkable experiments on any statute books."*

In New South Wales, the laborers also formed a separate party and aimed to hold the balance of power in parliament and to "give their support on business principles only." The party was known as the Labor Electoral League. It elected 35 representatives to the lower house in 1891 and there were ten or twelve other representatives who were pledged to the labor platform.† The party was once divided on the protection issue and again on the federation question but as a whole it has maintained a "united front." During the first four or five years it was not very successful but later it partially accomplished its purpose. The first reforms which it achieved were political rather than social. They were the abolition of plural voting, lengthening of the polling hours, shortening of the term of residence before voting, and other measures favoring the labor vote.‡ These achieved, it turned its attention to legislation regulating industry and was successful in gaining the passage of an early closing act, an old age pension act, miners accident relief

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* Reeves, State Experiments an Australia and New Zealand, vol.I, pp.82,83.

† New South Wales Year Book, vol.I, p.29.

‡ Victor S. Clark, Labor Movement in Australia, pp.73-76.

act, compulsory arbitration law, a minimum wage law, and others.*

In Queensland the labor party gained eight seats in the lower house as early as 1890 and gradually increased that number to 22.† The members of the party were not as diplomatic as the laborers of New South Wales or New Zealand, however, and did not achieve as great success. The party proposed to overcome all opposition of the conservatives by sheer force of numbers. Unable to accomplish this, it secured less labor legislation than any other colony. About the only concession it gained in the way of actual statutes was a Factories' and Shop act which included the provisions for the minimum wage. Labor's failure was due to the fact that the party represented only one class and a minority class at that and refused to unite its forces with other interests such as the agricultural.‖

In Western Australia and Tasmania there was not enough industrial development to make labor a prominent factor in local elections. It did exert some influence, however, in federal elections.

The first labor representatives went to the federal parliament in 1901 and at the first election, there were 23 elected. They held the balance of power, swinging with the protectionists, when guaranteed reductions in the tariff which would benefit labor. The labor platform called for a "white Australia," compulsory arbitration, old age pensions, nationalization of monopolies, restriction of public borrowing, etc., etc. Of these perhaps the first and second were of the most importance. During the very first session they

* Reeves, State Experiments in Australia and New Zealand, vol. I, p.79.

† Albert Metin, Le Socialisme sans Doctrines, p.101.

‖ Reeves, State Experiments in Australia and New Zealand, vol. I, pp.79-81.

secured the passage of a law restricting Asiatic immigration and also a law fixing a minimum wage for public servants. Many other labor laws were passed during the first and later sessions among which was the compulsory arbitration law of 1904.*

Such were the effects of the political labor movement. The labor party did not gain power continuously in every colony, but throughout the whole country it maintained a steady growth. It was most successful in New Zealand where it united its forces with the Progressive party. It was least successful in Queensland where it made strong opposition to all other classes. In all colonies it stood opposed to Chinese immigration and government aid of immigration of any kind. It favored state arbitration of labor disputes and in all cases was successful in securing some form of compulsory arbitration or minimum wage laws.

* Statistical Account of Australia and New Zealand, 1901-02, pp.265-270.

CHAPTER II.

HISTORY OF MINIMUM WAGE LEGISLATION IN AUSTRALASIA.

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Minimum wage legislation in Australasia has assumed two forms; namely, (1) conciliation and compulsory arbitration, and (2) minimum wage laws. New Zeland, Western Australia, and New South Wales at the start regulated wages by the former, while Victoria, Queensland, South Australia and Tasmania experimented first with the latter. New Zealand, Western Australia, Victoria and Tasmania have continuously clung to the form with which they started developing and amending their laws as experience and changing conditions demanded. On the other hand, New South Wales, Queensland, and South Australia tried both plans finally adopting a combination of the two. The general context of each law is the same in every colony in which it is in force yet the laws vary in detail from colony to colony. It is the purpose of this chapter to trace the development of the laws in each colony giving the general context and main provisions as well as to point out the important differences between them. The states will be taken up in the order in which they adopted the laws.

NEW ZEALAND.

While New Zealand was the first of the colonies to adopt compulsory arbitration she was not the first to experiment with voluntary conciliation. Previous to 1890 one or two Australian states had provided boards for voluntary conciliation and between 1890 and 1894 every colony except Western Australia and Tasmania

had attempted some form of arbitration legislation. Charles Kingston, prime minister of South Australia, proposed the first bill for the encouragement of industrial unions and the arbitration of industrial disputes. This bill proved to be the forerunner of all arbitration legislation in the colonies. It was adopted by South Australia in 1894, but it proved to be defective and inoperative. In 1892 New South Wales adopted a law similar to that proposed by Kingston with the exception that it had no compulsory provision. It was also a failure and disappeared four years later. These experiments, however, furnished some basis on which New Zealand could work when she came to formulate her compulsory arbitration law. Pemberton Reeves, minister of labor in New Zealand, was the man to originate and propose the latter measure. The bill was presented to the New Zealand parliament for the first time in 1892 and after being debated and defeated three times in the short space of less than two years, it became law in 1894, going into effect in 1896. The final attitude of parliament toward the law was admirably expressed by the author of the bill when he stated, "Mildly interested, rather amused, very doubtful, parliament allowed it to become a law and turned to more engrossing and less visionary measures."*

During the two decades which have passed since the bill became law, it has been repeatedly changed. One amendment was passed in 1895 even before the law went into operation. Another was added in 1896 shortly after the law first took effect. Still another was adopted in 1898 and in 1900 the whole law and all its

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*W.P.Reeves, *State Experiments in Australia and New Zealand*, Vol.2, p.107.

amendments were consolidated and further amended.* Amendments followed in 1901, 1903, 1904, 1905 and the results were again consolidated and amended in 1908.** The amendments of 1910 and 1911 complete the list. The act now in force is known as the Conciliation and Arbitration Act of 1908.§

The original purpose of the law was to encourage the formation of industrial unions and to settle industrial disputes. The fixing of wages was only one of the powers of the conciliation boards and the arbitration court along with the power to settle any industrial dispute which might be brot before either of them for settlement. The general supervision of the act has always been under the minister of labor of the islands. Either the secretary of labor or some other man appointed by the governor serves as registrar.

The act provides that any industrial union either of employers or employees may register and thus become subject to and benefit from the provisions of the law providing, the union is organized according to definite rules laid down by the act. The main requirements are that the union shall be incorporated and that there shall not be less than either two employers or seven laborers in any registered union.† Originally the law required seven members in both employers' and labor unions in order that such unions might be registered as industrial unions. The amendment of 1895 changed the number to five,‖ while the law of 1900 fixed

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* New Zealand Year Book, Vol.10, p.246.
** New Zealand Year Book, Vol.17, p.515.
§ New Zealand Year Book, Vol.22, p.661.
† New Zealand Labor Laws, Fifth Edition (1909) pp.101-105.
‖ U.S.Bulletin of Department of Labor, Vol.6, p.208.

the number as stated above. There is no fee for registration and every branch of a trade union may be registered separately unless there is a similar union in connection with the same industry already registered. A list of the members with the officers of the union must be furnished to the registrar, semi-annually. Every member of an industrial union is subject to the provisions of the law whether he personally was in favor of the registration of the union or not. Any union may petition for cancellation of its registration at any time and the registrar may cancel it after six weeks notice, providing there are not conciliation or arbitration proceedings pending, effecting that particular union. All awards made effective before the cancellation of the registration are still binding upon the union and all its members the same as tho the registration were not cancelled. On the other hand, if the union refuses to comply with the rules governing registered unions the registrar can strike the name of that union from the list of registered unions at any time.*

The governor may divide New Zealand into industrial districts and appoint a clerk of industrial awards for each district. Such clerk is subject to the direction of the state registrar and it is his duty to receive, register, and deal with applications for settlement of all disputes in his district, to convene the board, summon witnesses and keep the records of settlement and awards.†

Official industrial agreements are confined to registered industrial unions and they must never be made to exceed three years in duration. Each agreement holds, however, until superseded by

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* New Zealand Labor Laws, Fifth Edition(1909) pp.108,109.
† *Ibid.*, pp.111,112.

another. Any industrial union may become a party to an agreement at any time during the enforcement of such an agreement simply by filing a notice with the clerk of the district to the effect that it concurs with the agreement.*

Boards of Conciliation. Until 1908 there was a board of conciliation in every industrial district but at that time they were abolished and councils of conciliation took their place. The old board of conciliation consisted of not less than three nor more than five members, one or two of whom, as the case might be, were elected by employers' unions and a similar number by labor unions. The members thus elected chose their own chairman from outside their number. Every member was elected for a term of three years and only unions that had been registered at least three months could vote in the election. Each union of employers or employees had as many votes as there were members to be elected as representatives of employers or employees, respectively. In case the term of the board expired during the hearing of a dispute, the governor could extend the term until the dispute was settled, providing the extention did not exceed one month. It required only a majority vote of the board to render a decision and the decision held whether all members were present or not. In case of a tie the chairman cast the deciding vote.†

On application of any union involved in a dispute a special board might be constituted for the sole purpose of settling that particular dispute, the board going out of existence automatically as soon as the dispute was settled. The special board was also

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* New Zealand Labor Laws, Fifth Edition (1909) pp.109,110.
† *Ibid.*, pp.112-117.

composed of an equal number of representatives of both employers and employees, and only those unions involved in the dispute could vote for members of the board. The chairman was chosen in like manner as the chairman of a regular board.*

Any registered union could bring a dispute before the regular board at any time by simply making application to the clerk of awards of that district. Employers and laborers alike might put their case before the board thru their own representatives or they might hire lawyers to plead their case for them. In either event, the unions were held responsible for the acts of their representatives. After hearing the case as presented by the representatives of the unions in dispute, it was the duty of the board to make further investigation into the details of the dispute. It was privileged to summon witnesses, administer oaths to those witnesses, examine the books of the industry or unions, inspect factories, etc. After completing the investigation the board might offer suggestions for a peaceful settlement, and then, it might adjourn for awhile to give the parties time to agree upon a settlement if possible. It might even appoint a committee of employers and employees to suggest methods of peaceful settlement and if a settlement was thus effected it was registered and became as binding as an industrial agreement. If no settlement was reached by the above method, then the board recommended any form of settlement which it thot equitable. It might go into detail specifying the means of settlement of every item of the dispute and it was required to state the length of time the settlement was to be binding, altho the period could not be less

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* New Zealand Labor Laws, Fifth Edition (1909) pp.117,118.

than six months nor more than three years.*

If the parties accepted the recommendation of the board it was registered and became binding and enforceable as an industrial agreement. Or, if neither party objected to the recommendation within one month after it was filed, it became binding whether they accepted it or not. Either party could by application carry the dispute into the industrial court. Or they could take the case direct to the court without first going to the conciliation board.** This last privilege was first granted by the amendment of 1901.† The members of the board were required to take oaths not to reveal any secrets regarding an industry except those necessary to their official duties.

Court of Arbitration. There is but one arbitration court for the whole country and it consists of three members appointed by the governor. The judge must have the same qualifications and privileges as a judge of the supreme court of the islands. One of the other two members is appointed on recommendation of the employers' unions and the other on recommendation of the labor unions, each holding office for three years. There are also two acting nominated members appointed to take the place of the regular members in case of sickness or in case the regular members are parties to the dispute.§ The clerks, registrar and other officials of the court are also appointed by the governor and all officials must take an oath of secrecy similar to the one taken by members of the boards of conciliation.‖

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* New Zealand Labor Laws, Fifth Edition (1909) pp.118,119.
** *Ibid.*, pp.120,121.
† New Zealand Year Book, 1904, p.364.
§ Provided by amendment of 1904. New Zealand Year Book, 1905, p.439.
‖ New Zealand Labor Laws, Fifth Edition (1909) pp.122-125.

The court has jurisdiction to settle any dispute referred to it and from its decision there is no appeal. The judge may call the court together for special sessions or for a general session to settle all cases. Before the court, as before the boards, the disputants may appear thru personal representatives or thru hired agents, and the evidence taken and proofs made before boards are accepted by the court and are not taken or made over again. But the court need not necessarily be content with the evidence furnished by the board. It may gain evidence by any method it desires whether that method be strictly legal or not. It may summon witnesses, who, after taking oath, are subject to penalty if they do not tell the truth. It may have access to any documents or papers of the company concerned, which will aid it in making an equitable award; and after making careful investigation it may make an award according to its own best judgment and the parties to the dispute must abide by that award.* The court may also appoint a committee of investigation and then decide on the basis of the information thus acquired. The judge and one member of the court constitute a quorum and a decision of a majority is final. In case there is but one member besides the judge present, the judge decides.

The court must give the award in detail covering all the duties to be performed by either party to the dispute. It may confine the award to the disputing parties, any district, or city, or it may extend it to the whole industry or the whole district if it thinks best. And at any time during the life of an award the court may amend or extend it to any industrial union in New Zealand that ef-

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* New Zealand Labor Laws, Fifth Edition (1909) pp.126-129.

fects the parties to whom it applies, thru competition or otherwise. If there are any objections to the extension, the court must hear them and then decide accordingly. If the award is extended to an employers' union, the laborers in that industry are subject to the provisions of the award whether they are union or non-union men.* The power of extension was first provided by the amendment of 1903.†

The court has the power to refuse to consider petty disputes that are not worthy of the time of the court and to make the applicant pay the costs. It may also assign the costs of a real hearing to either or both parties. Furthermore, it is the business of the court to determine what constitutes a breach of an award and to fix the penalty for the offense. The penalty, however, is limited to a total of £500, and in case the union has not sufficient capital or property to cover the fine, the members of the union are liable to the amount of £10 each. The regular factory inspector, as provided by the amendment of 1903,† is given the necessary powers to enforce both awards and industrial agreements. He has access to the documents, wage records, etc. of the company and can visit any factory or workshop at any time to ascertain whether or not the award is being fully recognized. To aid the enforcement of awards, the amendment of 1903† makes it a misdemeanor for employers or employees to combine or take any individual action for the purpose of breaking an award or preventing the enforcement of it. Any member of a union who strikes or tries to cause a strike or re-

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* New Zealand Labor Laws, Fifth Edition (1909) pp.131-133.

† New Zealand Year Book, 1904, p.364.

sorts to the lockout for the purpose of making an award ineffective is subject to a penalty. To be sure, any laborer can refuse to work for the wages paid if he does not refuse for the purpose of breaking the award. And in case of dispute, the burden is on the laborer to prove that he did not quit work to break the award. On the other hand, it is a misdemeanor for an employer to dismiss a laborer simply because he is a member of a union, an officer of a union, or benefits from an award. In this case the burden of proof is on the employer. In all cases strikes and lockouts are illegal during the settlement of a dispute before a board or court and the offending unions are subject to a penalty of £50.*

Most important of all, so far as this discussion is concerned, is the fact that the court may fix a minimum rate below which the employer can not go in the payment of wages. This may be done in any industry effected by an award. The amendment of 1905,† however, provides for the granting of permits to old, slow, and feeble workers to work for less than the minimum. An application for a permit must be made in writing and the case of the applicant must be heard by the person authorized to grant the license. In this connection it might be well to mention that a general minimum wage was provided by an amendment to the Factory Act of 1901, passed in October, 1905.§ This amendment states that no person under twenty years of age shall work in any shop or factory for less than 5s. per week the first year with an additional 5s per week for every added year until he reaches the age of twenty. Persons over twen-

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* New Zealand Labor Laws, Fifth Edition (1909) pp.134,135.
† New Zealand Year Book, 1906, p.354.
§ International Labor Office Bulletin, Vol.3,p.97.

ty shall not work for less than 17s. per week the first year and 20s. thereafter.

All the provisions, including amendments, mentioned thus far in connection with the arbitration law are now contained in the law proper as consolidated in 1908. Since then there have been added three amendments, 1908, 1910, and 1911. The most important of the three is the one passed in 1908 shortly after the consolidation of the law. As stated before, this amendment abolished the boards of conciliation and substituted councils of conciliation in their stead. It also provided that every dispute must first be heard by a council before it can be taken to the court. On the other hand, any union of employers or employees may bring a dispute before the council whether that union be registered or not. The amendment provided that not more than four commissioners shall be appointed by the governor for a term of three years and each commissioner shall be assigned a district. Labor and employers' unions recommend persons to be appointed by the commissioners as members of the councils, and the assessors thus chosen, with the commissioner, make up the council.

It is the business of the council to investigate the dispute and it is its privilege to proceed in any manner it desires to bring about an equitable settlement. It cannot, however, compel testimony regarding trade secrets, profits, losses, receipts, etc. Yet either party may contribute such information if it desires. A majority vote is all that is necessary to render a decision, the commissioner having the deciding vote in case of a tie. If a settlement is reached, it is recorded as an industrial agreement; if

not, then the council tries to effect a temporary settlement to last until the court of arbitration acts. In case the council fails in all its attempts to bring about a settlement, the dispute goes before the court of arbitration. Yet the council, by unanimous vote, not including the commissioner, may make any recommendation regarding the dispute, to the court, that it desires. To be sure the court may accept or reject the recommendation as it wishes.

This amendment of 1908 also makes any strike or lockout in connection with a union effected by an award, illegal and each individual laborer involved in such a strike is subject to a fine of £10, while every employer resorting to the lockout is liable to a fine of £500. Neither can be fined more than once for the same strike or lockout, no matter how long it lasts. Further provisions of this amendment are, (1) that awards shall be posted in all shops affected by them, where they can be read by employees, (2) employers must keep full records of wages paid to all employees and these records must be kept open for inspection by the inspector of factories, (3) action to recover shortage of wages must be stated within three months after the shortage occurs, (4) industrial agreements may be extended to all the employers in any industry or to a whole district, (5) an industrial union shall consist of at least three employers or fifteen laborers and an association of unions, even tho it cover the whole of New Zealand, may register the same as an individual union, etc.*

The amendment of 1910 made some minor changes relating to eligibility and payment of judges and then provided that individual

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* New Zealand Labor Laws, Fifth Edition (1909) pp.147-169.

employers might have the same privileges as unions or associations of employers.* The amendment of 1911 permits an industrial association extending over district boundaries to carry a dispute directly to the court of arbitration.†

Operation of the Law. The first law, passed in 1894, went into effect the first day of January, 1895. Nine months were consumed in making preliminary preparations such as the gazetting of regulations and the registration of unions. At the very outset, however, labor unions registered freely and many new organizations were formed for the sole purpose of coming under the provisions of the act. Employers were not so keen to appreciate the benefits to be derived from registration and it was not until the latter part of the year that the first employers union was registered. This union was known as the Federation of Master Bootmakers and it furnished the first dispute to be settled under the provisions of the arbitration law. It was not long, however, until other unions of employers availed themselves of the privilege of coming under the protection thus provided and in 1902 there were no less than seventy-five employers unions,as well as, two hundred and fifty labor unions registered.§ The following chart gives the number of registered unions, and the total membership of each at the close of each year from the year 1903 to the year 1912 inclusive.‖

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* International Labor Office Bulletin, Vol.6, p.41; and New Zealand Year Book, 1911, p.449.

† New Zealand Year Book, 1912, p.471.

§ W.P.Reeves, State Experiments in Australia and New Zealand, Vol.II, pp.107,108.

‖ This chart is taken from New Zealand Year Book for 1913, p.675.

CHART NO. I.

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NEW ZEALAND REGISTERED UNIONS, 1903-1912.*

Year	Employers		Laborers	
	Unions	Membership	Unions	Membership
1903	103	3,080	258	27,640
1904	109	3,292	273	30,271
1905	113	3,276	261	29,869
1906	109	3,337	274	34,978
1907	121	3,630	310	45,614
1908	122	3,918	325	49,347
1909	120	3,702	308	54,519
1910	118	4,262	308	57,091
1911	118	4,251	307	55,029
1912	123	4,410	322	60,622

It is evident from this chart that while there was some fluctuation in the number of unions registered, yet on the whole there was a steady increase both in the number of unions and in the number of individual employers and employees who volunteered to subject themselves to the provisions of the law.

At first, the unions were hesitant about submitting their disputes to the board or court and there were only six disputes settled by all the boards and court during the year 1896. But gradually confidence developed and unions on both sides became more willing to accept the determinations of the boards and the awards of the court. The following Chart II. is a summary of the activity of both boards and court, giving the number of awards, industrial agreements, accepted recommendations, cases brot before the court for enforcement, parties brot under previous awards, interpretation of awards and lastly, amendments of awards up to the end of 1911.

* This Chart is taken from New Zealand Year Book for 1913,p.675.

CHART NO. II.

AWARDS, AGREEMENTS, RECOMMENDATIONS, ETC., MADE BY THE NEW ZEALAND CONCILIATION BOARDS AND ARBITRATION COURT FROM 1896 TO 1911.*

Year	Award	Agree-ment	Recommen-dation	Enforce-ment	Added parties	Interpre-tation	Amend-ment
1896	3	2	1				
1897	10	5	4				
1898	12	9	6		1		
1899	17	16	12				
1900	20	15	10				
1901	26	25	14		1	3	
1902	68	21	5			9	
1903	40	19	6		2	11	5
1904	26	14	7		5	18	2
1905	36	8	4		6	24	3
1906	64	5	1	11	18	36	6
1907	88	11	1	20	26	49	3
1908	90	14		22	23	48	4
1909	90	13		67	58	43	6
1910	74	13		63	39	24	13
1911	78	20		78	28	23	11

The work of arbitration has been very extensive, dealing with almost every kind of industrial dispute and every kind of industry. Some of the trades that have been subject to awards are the boot-makers, gold-miners, coal-miners, carpenters, tailors, furniture makers, confectioners, ironworkers, engineers, grocers' assistants,

* The statistics from which this Chart was made were taken from the New Zealand Book of Awards, Vol.12, Appendix, pp.III-LXXVIII.

butchers, printers, etc.,etc. Furthermore, every sort of dispute has been handled by the boards and court. They have fixed wages, regulated hours of labor, fixed piece rates, regulated the number of apprentices, named holidays, provided that preference should be given to union laborers, arranged for interviews between trade union officials and their men, etc.* In the great majority of cases the trial has been initiated by the workers' unions and the employers have been defendents, altho in some cases the latter have brot disputes before the board or court. A friendly agreement between the two has sometimes resulted in bringing the disputed question into court. Again, some employers have urged their employees to bring cases up for settlement before the court in order to bring all employers in the trade to do by their employees what they themselves would be willing to do were they not subjected to a sort of competition which made it impossible.† In conclusion, altho the law has effected the settlement of all kinds of industrial disputes involving all kinds of industries, yet in the majority of cases, the settlement has included, in some measure, the regulation of wages and it is this fact which makes the legislation important as far as this discussion is concerned.

VICTORIA.

Victoria was the second Australasian colony to pass wage legislation. As stated before, the first Factory Act of Victoria was passed in 1873. It was an attempt to regulate workshops and it defined a workshop as a place where 10 or more laborers were em-

* New Zealand Book of Awards, Vol.12, Appendix pp.III-LXXVIII.
† W.P.Reeves, State Experiments in Australia and New Zealand, Vol.2, p.109.

ployed. It also limited the working day for women in factories to eight hours and established some sanitation requirements to be enforced by the local boards of health. In 1885, the act was ammended reducing the number of employees necessary to constitute a factory, to six; employers were required to keep a record of outwork; and sanitation requirements were made more stringent. Another amendment in 1887 made two Chinese workmen sufficient to constitute a factory. The previous act and amendments were consolidated in 1890 but no new provisions were added. An amendment in 1893 reduced the number of native workmen comprising a factory, to four and made it compulsory that employers should notify the chief inspector of the rates paid to outworkers. Such was the status of factors legislation when the Committee of Inquiry was appointed to investigate sweating in the colony. The report of the committee was followed by the introduction of a bill July 4th, 1895, providing for minimum wage boards. In 1896, the Factory Act of 1893 was repealed and a new one, incorporating minimum wage provisions, was passed July 28.*

The new factory act defined a factory as any place where articles were prepared for sale and where any one of the following conditions prevailed; namely, (1) where four or more laborers were employed, (2) where steam, water, gas, petroleum, or electrical power was used, (3) where one or more Chinese were employed, or (4) where furniture was made or bread or pastry baked for sale. A.S.Peacock, author of the M.W. provision, wanted to prohibit outwork, unless the consent of the chief inspector of factories was

* International Labor Office Bulletin, Vol.2, pp. viii-ix.

secured. The bill was debated in parliament no less than five times, the liberal majority in the lower house favoring it and the conservative majority in the upper house opposing it. Finally, a compromise providing for the registration of outworkers rather than demanding that they secure special permission was agreed upon and the bill passed. The most important provision of the law was for a wage board in each of the clothing, furniture, breadmaking and butchering trades, with power to fix the minimum rate of day wages, piece rates, hours of labor, number of apprentices, etc.* The boards were to be elected by the employers and employees of the trades concerned. An amendment in the latter part of the year 1896, however, provided for the appointment of the board in the furniture trade in order to avoid the influence of the Chinese workmen. Another amendment in 1897 gave the governor the power to suspend any determination of a board for a period of six months during which time the board must make another investigation confirming or changing its original determination as is thinks best.† There were other amendments to the Factory law about that time, but since they do not effect wage boards it is not necessary that they be given here.

The act providing for special boards was adopted as an experiment and it automatically went out of effect in 1900. In that year, parliament readopted the main provisions of the act under the title of The Factory and Shops Act of 1900. This law gave either house of parliament the power to establish a special board for any

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* Official Year Book of the Commonwealth of Australia, Vol.1,p.872.

† International Labor Office Bulletin, Vol.2, p.x.

trade it desired, and the lower house immediately set about providing for boards for thirty additional trades. The law also provided for granting licenses to old, infirm or slow workers who could not earn the regular minimum wage and it gave employers in trades under wage boards the power to fix piece rates, providing they base those rates on the minimum wage fixed by the board. The act of 1900, like the one of 1896, automatically became ineffective in 1902. Immediately a bill for readoption was presented and read three times in the lower house, but parliament was dissolved after the first reading in the upper house. Hence, until parliament was reassembled, three months later, there was no factory legislation at all in Victoria. The first act presented and passed by the new parliament was one providing for the readoption of the factory act. This time the law was to remain in force until the 31st of October, 1903. The new law provided that all of the old determinations should again take effect immediately. Some of the old boards, however, were abolished and no new ones were established. The chairman of the board could no longer have the deciding vote in case of a tie, but, either two labor representatives on the board must vote with the representatives of employers or two employers, with the laborers in order to make a determination valid.*

The act of 1903, superseding the one of 1902, continued all acts in force until 1905. It restored the simple majority of the board to render a decision, made a resolution of both houses necessary to establish a new board, provided that the minimum wage or piece-price should never be above the average earned by ordinary workmen, took away from the board the power to regulate the number

* International Labor Office Bulletin, Vol.2, pp.x,xi.

of apprentices and most important of all, it established a court of industrial appeals. The act was further extended in 1904 and consolidated in 1905. The latter act put the law permanently into force, repealing all of the nine previous acts.*

The act of 1905 defined a factory as any workshop employing four or more workmen other than Chinese or in which one or more Chinese were employed. Under its provisions "no person whosoever, unless in receipt of a weekly wage of at least two shilling and sixpence shall be employed in any factory or workroom or in wholly or partly preparing or manufactoring any article for trade or sale."† Members of the employer's family are excepted when working outside factories.

Under this law the board consists of from four to ten members, besides a chairman, and they are appointed by the governor general, subject to removal at any time. Except those boards provided for by the law of 1896, the governor can appoint boards only on resolution of both houses of parliament. Half of the board must represent labor and half employers, and each member must be someone who has sometime been in active work in the industry concerned. The term of office is three years. The minister of labor nominates the members of the board and publishes the nominations in the gazette. If one-fifth of the employers or laborers object in writing to the appointment of any man nominated, the governor shall not appoint such man, altho he may appoint anyone not objected to. The members of the board, thus chosen, nominate some one, not of their number,

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* International Labor Office Bulletin, Vol.2, pp. x-xi.
† *Ibid.*, p.57.

for chairman and it is the business of the governor to appoint such nominees as chairman.*

The board has the power to fix the minimum rate of wages in the industry for which it was appointed. In fixing that minimum it must take into consideration all of the conditions of the industry, nature of the work to be done and the kind of labor, male or female, child or adult. It must also ascertain the average wage paid by reputable employers to laborers of average ability and the lowest minimum fixed for the industry must never exceed that average. In case that average is not high enough to provide in living for the laborer the board may turn the case over to the court of appeals which may fix the minimum according to its judgment regardless of that average. Piece rates fixed by the board must be based on the minimum daily wage fixed for that industry. A necessary corollary to the fixing of the minimum wage is the power to fix the number of hours work for which the wage is remuneration. Consequently, the board regulates the length of the working day as well as fixes the rates for overtime work. The latter must, in all cases, be higher than the ordinary time rate. The board shall determine the proportionate number of improvers and apprentices permitted to work in any industry and it shall fix their wages according to experience, age, sex, etc. Special rates may be fixed for the aged, infirm, and slow worker. But a license to work for less than the minimum shall last but one year, subject to renewal, and the number of slow workers is limited to one-fifth of the total number of laborers in the factory, except that there may be one in every factory or shop.†

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* International Labor Office Bulletin, Vol.2, pp.63-65.
† *Ibid.*, pp.65-67.

The determination of a board lasts until it is amended by the board or by the court of industrial appeals and the governor may extend any determination to any portion of a shire within ten miles of a city, at his own option. On application of the council of the shire he may extend it outside the ten-mile limit.

The court of appeals consists of one judge of the supreme court appointed by the governor. To aid him in coming to a decision he appoints two assessors, one of whom is nominated by the labor members of the wageboard concerned in the case appealed to the court and the other by the representatives of employers. A case may be appealed to the court by a majority of the representatives of either labor or employers on the board, by any employer or group of employers employing 25% of the laborers in that trade, by 25% of the laborers in the trade or by the minister of labor. Any determination of any board may be appealed to the court and, from the court, there is no appeal. The court can lower, raise, repeal, or amend the determination of the board in any way it thinks best. In fixing the rates, it shall take into consideration the same facts which were considered by the board and it has the same powers of investigation. It may summon witnesses or examine the papers of any company or firm. The rules governing determinations are the same as those governing those of a board; that is, all determinations must be published in the gazette. During an appeal the determination of the board must be enforced.*

The law requires that every factory and every worker shall register within fourteen days after opening for business. It also

* International Labor Office Bulletin, ii, pp.73,74.

makes it compulsory that each employer shall keep a record of all his employees, the time worked, the wages paid, the amount of outwork, and the names and residences of outworkers. The provisions of the law are enforced by the chief inspector of factories and he must make an annual report to the minister of labor giving the number of laborers, wages paid, age and sex of workers, amount of piecework, etc.

The penalty for employing labor for less than the rates fixed by a determination or for employing too many apprentices, etc. is not more than £10 for the first offence, not less than £5 nor more than £25 for the second offence, not less than £50 nor more than £100 for the third and after the third offence the registration of the factory shall be cancelled.*

An amendment in 1907† provided (1) that a vote of both houses of parliament is necessary to establish a new special board, (2) that the court shall consist of any judge of the supreme court and the judges themselves shall arrange as to who shall constitute the court, (3) that on application of the board of the industry or trade concerned the court may change its determination at any time it chooses, (4) that the court may prescribe its own methods of procedure regardless of legal forms, and (5) if a strike occurs because of a determination the governor may suspend the determination. The amendment of 1909 provides for special boards for any part of the iron working trade.§ The law of 1905 as outlined above, with all its amendments, was consolidated in 1912 and today it is known

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* International Labor Office Bulletin, ii, p.72.

† *Ibid.*, Vol.IV., pp.104-109.

§ *Ibid.*, p.269.

as the Factory and Shop Act of 1912.*

Considering the fact that Victoria was the pioneer in providing for the establishment of special wage boards, the extension of the privileges and obligations provided by the law has been remarkable. While the original act provided for the creation of only four boards, parliament has continually added to that number until by June, 1912 there were 111 boards in existence and 90 determinations in force. During the year 1897, determinations for the furniture, bread, clothing, and boot industries went into effect. The shirt industry followed in 1898: the ladies' underclothing industry in 1899. There was no added determination in 1900, but in 1901 twenty new boards had fixed determinations affecting as many industries. Seven followed in 1902; one, in 1903; six, in 1904; one, in 1905; not any, in 1906: making a total of 41 determinations during the first ten years the act was in force.† At the close of 1907 there were 51 boards in existence, 48 determinations were in force affecting 56,984 laborers or 80% of the entire laboring population.§ At the close of 1909 there were 71 boards, 70 determinations, affecting 94% of the laboring population‡ and by June, 1911 the 111 boards had made 90 determinations affecting 130,000 laborers.‖ Furthermore, the law affects nearly every industry in the colony. The following list of industries to which it is applied will illustrate its wide application; namely, aerated water trade, agricultural instruments industry, brass workers, brick trade, cigar makers, glass

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* Australian Commonwealth Labor Bulletin, May 1913, p.58.
† Ernest Aves, Report on Australia and New Zealand, p.24.
§ Official Year Book of the Commonwealth of Australia, Vol. ii., p.1070.
‡ *Ibid.*, Vol.iv., p.1071.
‖ *Ibid.*, Vol.vi., p.1041.

workers, grocers, hairdressers, ice workers, woodworkers, etc. etc.* Most determinations have fixed the minimum rate of wages for male and female labor separately, the minimum wage for women ranging somewhere near half that for men, varying with different industries. The ordinary number of hours which laborers are permitted to work per week is forty-eight and is the same for both male and female labor.† Only in about forty percent of the determinations are piece rates fixed.

Until June, 1912 there had been but nine appeals from the decisions of the special boards to the court. Seven of the nine were reversed or amended by the court, one was upheld, and the other was taken to the court because the board could not agree upon a determination.‡ The court has also reviewed one of its own determinations, reducing hours and increasing the minimum wage.

During the first ten years of the operation of the law there were 413 old and infirm, and 86 slow workers who were granted licenses to work for less than the legalized minimum. During the same period there were no less thin 266 convictions for breaking determinations. This number was spread over six years as follows: 34 in 1901; 33 in 1902; 41 in 1903; 39 in 1904; 27 in 1905; and 52 in 1906.§

In conclusion, it may be well to point out the main difference between the Victorian and the New Zealand system. Unlike the New Zealand system, the wage boards of Victoria do not settle all industrial disputes. Their primary purpose is to fix the minimum

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* Victorian Year Book, 1908-9, p.379.
† Ernest Aves, Report on Australia and New Zealand, pp.26,27.
‡ Official Year Book of the Commonwealth of Australia, Vol.vi, p.1041.
§ *Ibid.*, Vol.i., p.878.

rate of wages and piece rates only. They do, however, incidentally regulate the number of hours and number of apprentices in order to make it possible to enforce those rates. On the other hand, the Victorian boards take the initiative and do not wait until a dispute is brot before them, as is the case in New Zealand, before they fix those rates. Their purpose is to protect labor against unscrupulous employers and, thru them, the government has invaded nearly every industry in the colony for the purpose of fixing the minimum below which employers cannot go in the payment of wages.

SOUTH AUSTRALIA.

The second colony to experiment with wages boards was South Australia. She passed her first law in 1900, but it proved to be ineffective because parliament did not furnish the necessary money with which to enforce it. In 1904, another act was passed providing special boards for the clothing and white-works trades, but this law, like the previous one, became ineffective, because of a court decision against fixing a graduated scale of wages. Many employers, however, complied with the decisions of the boards even tho they were illegal.*' Another attempt was made in 1906 and this time the law proved to be successful. It went even further than Victoria had yet gone by extending its provisions to workers outside factories. The law was incorporated as an amendment to the Factories Act of 1894. A consolidation of the law and its amendments occurred in 1907. It was again amended in 1908 and in 1909 and an industrial arbitration act was passed in 1912. Consequently, to-day, South Australia has a combination of the industrial arbitration court and

* Official Year Book of the Commonwealth of Australia, Vol. i., pp.873,874.

special wage boards.*

The act of 1906 provided for the election by employers and employees of boards to fix the minimum wage for women and children in the clothing industry only. But the consolidation act of 1907 provided for boards for no less than 22 industries including the clothing, furniture, mattress and bedding, and bakeries industries, and made it legal for the governor to appoint a board for any process within anyone of these industries. Henceforth, all boards were to be appointed by the governor rather than elected by employers and employees. The determinations of the boards created by the first act were to last only until December 1906 unless sanctioned by parliament in the meantime; those made under the law of 1907 were to last until changed by the board or court. A judge of the supreme court, appointed by the governor, constitutes the court of appeals which has the same powers as the court of appeals of Victoria. The law of 1907 also makes it illegal for any employer anywhere to pay less than four shilling per week to any employee. The other provisions of the acts are the same as in Victoria and it is unnecessary to reiterate them here.†

When the law of 1912 was passed the court of industrial appeals was made a court of arbitration for the settlement of any industrial dispute. Its powers are similar to those of the court of arbitration in New Zealand. South Australia, however, has no conciliation boards or councils.

The application of the wageboard system in South Australia between 1906 and 1912 increased rapidly. At the end of 1906 there

* Australian Commonwealth Labor Bulletin, May 1913, p.59.
† International Labor Office Bulletin, Vol.i,p.45; Vol.iv,pp.249-259.

were eight boards in existence. They had made eight determinations affecting about 18% of the laborers of the colony. In 1907, there were 24 boards, 10 determinations affecting 26% of the laborers: in 1908, 24 boards, 20 determinations, affecting 62%; in 1909, 44 boards, 28 determinations affecting 60%; in 1910, 44 boards, 28 determinations affecting 20,000 workers; and in 1912 there were 56 boards, 49 determinations affecting 25,000 laborers.* The general content of the determinations was the same as in Victoria.

It will be observed from this discussion that, until the law of 1912 was passed, the South Australian law, both in content and operation, was practically the same as the Victorian law. The new law, however, adds to it the strength of the New Zealand system and now the government of South Australia not only invades industries for the purpose of fixing minimum wages and thus protecting labor, but it also provides for the settlement of any industrial dispute voluntarily brot before the court by any registered industrial union.

WESTERN AUSTRALIA.

The first conciliation and arbitration act in Western Australia came into force in 1900. It proved ineffective, however, and was replaced by another act in 1902. The purpose of the act like the New Zealand law of 1894, was to facilitate the settlement of industrial disputes by conciliation and arbitration.† It thus made strikes and lockouts absolutely illegal. The whole law was modeled after that of New Zealand and there are no new features. The three boards of conciliation became practically obsolete as there was

* Official Year Book of the Commonwealth of Australia, Vol.i, p.878; Vol.ii, p.1070; Vol.iii, p.1045; Vol.iv, p.1071; Vol.vi, p.1041.

† Western Australia Year Book, 1902-4, p.1015.

scarcely a single case which was not appealed from the boards to the court and after 1903 the boards fell into entire disuse. The section giving the court power over public employees was afterwards declared to be unconstitutional. The only amendment to the law was one relating to the binding of apprentices and the term of apprenticeship and it was passed in 1909. In 1912 the law was repealed and a simple industrial arbitration act without conciliation boards took its place. To-day this is the only colony on the continent which does not have either industrial or wage boards.*

The disputes brot before the boards and court relate largely to the demand for increased wages, improved conditions of employment, shorter hours of labor and the enforcement of industrial agreements, awards and orders of the court. The total number of cases brot before the boards of conciliation was 26 and they all occurred during or previous to 1903.† During the first year that the court was in active operation it determined 34 cases; the second year, 75; the third, 49; and by the end of 1912 it had determined a total of 340 disputes. In addition to this, 127 industrial agreements had been filed.§ Between agreements and awards nearly every important industry had felt the effects of the arbitration law when the new law of 1912 went into effect.

It remains to point out that the last law of Western Australia like the first and also like the New Zealand law, clings to the arbitration principle and does not incorporate special wage boards. Unlike New Zealand, however, Western Australia abandoned conciliation boards.

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* Labor Bulletin of Australia, May 1913, p.59.
† Western Australian Year Book, 1902-4, p.1018.
§ Official Year Book of the Commonwealth of Australia, Vol.vi., p.1042.

NEW SOUTH WALES.

Several times previous to the adoption of compulsory arbitration in New South Wales, the parliament of that state had discussed the question of providing some means of settling industrial disputes by governmental action. Bills to provide boards for voluntary conciliation of industrial disputes were presented in both 1882 and 1887. It was not until 1892, however, that such a bill became law. There was no compulsory requirement attached to the law and it automatically went out of effect at the end of four years having been little used. Again in 1899 a similar law was passed, providing only for voluntary conciliation. It remained in force for a number of years but was made use of but three times. This was the final attempt to provide the remedy by voluntary conciliation and in 1900 Mr. B. R. Wise, attorney-general of the state, introduced a bill similar to the New Zealand law, providing for compulsory arbitration of disputes. The bill was defeated in the Council but Mr. Wise remodelled it and again presented it the following year. This time it passed and was known as the Industrial Arbitration Act of 1901. It was only a temporary measure and went out of effect in 1908. The only differences, of any importance, between this law and the New Zealand law of 1900 were that the New South Wales law did not provide for boards of conciliation but took disputes directly to the court and it did provide for the extension of any award to all persons or parties connected with that industry. New Zealand had not yet incorporated the latter provision in her law. An amendment of 1905 provided for the creation of a temporary court in case of urgent necessity.*

* The Official Year Book of New South Wales, 1904-5, pp.777,778.

At the expiration of the act of 1901 the Industrial Disputes act of 1908 was passed. It provided that all awards or official agreements which took effect under the old law should still remain in force unless they had already naturally expired. This act provided that on application of any employer employing twenty men, of any labor union composed of twenty laborers, the court might recommend to the minister of labor that a special board be created for that industry. The minister shall then direct that a board be constituted with powers to settle any industrial dispute, fix hours of labor, minimum rate of wages, piece rates, overtime rates, appoint tribunals to grant licenses to work for less than the minimum, to rescind or amend any previous award, in short, all the powers of the minimum wage board of Victoria combined with the powers of the ordinary court of arbitration. Appeals from these boards to the industrial court is permissible, the decision of the latter being final. An amendment in the latter part of 1908 provides that in no case shall any laborer be paid less than 4s per week with an additional 8d per hour for every hour over 48. Previous to the passage of this amendment there had been no absolute minimum in this colony.*

The law was further amended in 1909 and 1910, the latter amendment giving the court power to fix the minimum wage to be paid clerks, the minimum to be based on the wages of the lowest grade of efficient clerical work. Two years later all the above acts and amendments were consolidated into the Industrial Arbitration Act of 1912. By this law all previous boards were dissolved but new boards were provided for 25 industries which were named in the law

* Official Year Book of New South Wales, 1907-8, pp.490-493.

and the governor with the consent of parliament may add any industry to the list. The minister of labor appoints the members of the boards after they are nominated by the court of arbitration. The powers of the boards are similar to the boards under the previous Industrial Disputes Act. Special boards may be constituted to determine what class of laborers shall be permitted to do certain kinds of work. The law provides for conciliation committees for collieries and other industries employing 500 or more laborers. The purpose of the committee is to endeavor to bring about peaceful settlements which become binding. Special commissioners may be appointed by the minister at any time to call any persons together, when a strike or lockout is pending, to endeavor to bring about a peaceful settlement, at least temporary, until a board can be constituted. Under the law lockouts and strikes are illegal during the pending of a dispute, the penalty for the former being £1000, for the latter £50 per individual worker or £1000 for the union. Injunctions may be used to restrain both.*

Under the law of 1901 the court met for the first time in May 1902, and during the remainder of that year there were 121 industrial unions of employers and 128 industrial unions of laborers registered, 28 industrial agreements filed, and 22 awards made. There were a total of 195 proceedings before the court including breaches, variations and enforcement of awards, applications to make agreements common rules, etc. The number of cases brot before the court, awards made by the court, and agreements filed annually varied slightly from year to year, but in no year while the law of

* International Labor Office Bulletin, Vol.viii, pp.157-200.

1901 was in effect was there less than eight new awards made and when the law went out of operation in 1908 the court had made a total* of 130 awards, had considered no less than 252 industrial disputes of various kinds, and had filed 86 industrial agreements. There were 161 employers and 148 labor unions which had registered. Fifteen industrial agreements and 55 awards had been made common rules. Awards and agreements combined had affected 1157 employers and 38,000 laborers.†

The Industrial Disputes Act of 1908 went into effect the first of July of that year and before the close of the year 49 trade unions had registered, there had been 24 applications for special boards and the courts had recommended the appointment of 22, two agreements had been filed and six awards made.§ During the year 1909 the court recommended the appointment of 95 boards, there were 94 awards made and 28 agreements filed. In eleven cases there were appeals made from the decisions of the board to the court and during that year the court heard 536 cases of various kinds connected with the making and enforcement of awards. At the end of the year there were 92 trade unions registered.‡ The following year witnessed the filing of 21 industrial agreements, the creation of 52 new boards and the granting of 110 new awards from which there were 22 appeals to the court, while in 1911, 74 new boards were created and 137 boards made awards resulting in 38 applications for appeal, some of which were granted and some refused.‖ At the close

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* New South Wales Industrial Arbitration Reports and Records, Vols. i-vii.

† Official Year Book of the Commonwealth of Australia, Vol. ii, p. 1073.

§ New South Wales Industrial Arbitration Reports and Records, Vol. vii., pp. 429-441.

‡ *Ibid.*, Vol. viii., pp. 523-601.

‖ *Ibid.*, Vol. ix., pp. 565-589 and Vol. x., pp. 657-686.

of 1912 there were 157 industrial boards in existence, 339 awards of boards and court were effective, 196 of them being original while 143 were awards varying previous awards.* The decisions of both boards and court involved the settlement of all kinds of industrial disputes but since the question of wages is the most important difficulty confronted by employers and employees, nearly every award involved the fixing of minimum wages, the regulation of hours, etc. Furthermore, the application of the policy has extended until it now affects nearly every industry and nearly all laborers in the colony.

The final law of New South Wales is very similar to the present law of South Australia. That is, it contains provisions for both special boards with aggressive powers and an arbitration court with power to settle any dispute brot before it. The main difference between the experiences of the two colonies is that South Australia tried minimum wage boards first and later adopted the arbitration court, while New South Wales adopted the arbitration court first and then added special wage boards. The final outcome in both colonies is practically the same.

QUEENSLAND.

The act to provide special wage boards for Queensland did not become law until April 15, 1908,† and it was incorporated in the Factories and Shop Act of 1900. In all essential principles the law is the same as the Victorian law of 1905. In fact, many sections of the law are copied word by word and others are changed only slightly. The law does provide, however, that in industries

* Official Year Book of the Commonwealth of Australia, Vol.vi, p.1041.

† This law may be found in the International Labor Office Bulletin, Vol.iii, p.168-177.

where no board exists the majority of the employers may enter into an agreement with the majority of the laborers and if the agreement is sanctioned by the minister and published in the Gazette it has the same binding force as a determination of a board. In 1912 the Wage Boards Act was replaced by the Industrial Peace Act combining minimum wage boards with an industrial court. All the boards under the old act held over under the new and their determinations were enforced the same as under the old law.* The superior strength of the new law lay in the fact that any industrial dispute might now be settled by the boards and court; whereas under the old law only wages could be regulated.

It was not long after the first law was passed that boards were constituted and at the end of 1909 there were 29 boards in existence and they had made 28 determinations. The following year one new board was created and 20 new determinations put in force. In October 1911, there were 59 wage boards and 57 determinations affecting 30,000 laborers in force and by March 1913 the number of boards had increased to 75 and others were being formed.† Further statistics are not yet available but those given are sufficient to point out the fact that the effects of the law spread rapidly from one industry to another.

It is evident that the experience of Queensland was similar to that of South Australia; that is, she first adopted a law providing for special wage boards only and then, after four years of experience, she added the New Zealand arbitration court system, the final result being a law like that of both New South Wales and South Aus-

* Official Year Book of the Commonwealth of Australia, Vol.vi, p.1032.

† *Ibid.*, Vol.iii, p.1945; Vol.iv, p.1071; Vol.v, p.1067; Vol.vi, p.1041.

tralia providing for a combination of special wage boards and an arbitration court.

TASMANIA.

Tasmania was the last of the colonies to fall in line with the movement for wage legislation and it was not until 1910 that she passed her Wages Boards Act. The law, as amended in 1911, is similar to the Victorian law. The main difference is that Tasmania provides no industrial court of appeals but uses the ordinary supreme court for that purpose.* The rapidity with which the law took effect is illustrated by the fact that by June 1912 there were 19 boards constituted, 11 determinations had been made, and 4 other boards were at work.† Further statistics relative to the activity of the law are not available. In conclusion, Tasmania, like Victoria, still maintains special wage boards only and does not provide for an arbitration court.

THE COMMONWEALTH.

"The Federal Conciliation and Arbitration Act, after a severe Parliamentary struggle, and after wrecking more than one administration—mainly owing to the different views held as to the question of giving power to the court to grant preference to unionists —was passed in 1904."‡ The purpose of the act, as defined in the law, is to prevent strikes and lockouts, settle and prevent industrial disputes, and encourage industrial unions. Consequently,

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* Labor Bulletin of Australia, May 1913, p.59.

† Official Year Book of the Commonwealth of Australia, Vol. vi., p.1041.

‡ Ernest Aves, Report on Australia and New Zealand, p.118.

the law levies a penalty of £1000 for every union taking part in either a strike or lockout, with smaller fines for individual members taking part therein. Other penalties similar to those in the state laws are provided against the breaking of awards, refusing to give testimony, etc.

The court is composed of a justice of the high court appointed by the governor for a term of seven years and the judge may appoint deputies from the justices of the high court to aid him in making determinations. The court has the power to make final settlement of any dispute brot before it, including those that the registrar has certified to be of public interest, all state disputes which the governor of the state desires the court to settle and any dispute extending over state boundaries. After investigating the dispute and trying to bring about an agreement which has the force of an award, the court shall issue an award which is final and must be obeyed by all parties to the dispute and by any others to whom the court may extend the award. Naturally, an award of this court supersedes all state awards when they are different. At any time during the life of an award the court may fix the minimum rate of wages to be paid by those industries. It may also order employers to give preference to certain union men.*

It is the privilege of the court to appoint a committee of employers and employees for the purpose of trying to induce the parties to the dispute to come to some amicable agreement. In may, also, appoint assessors to advise it in making its decisions or it may appoint an industrial board to investigate the dispute with pow-

* Australian Commonwealth Acts, Vol.III, pp.15-28.

ers to make an award. In short, the court may proceed in any manner it choses to settle the dispute, subject to the approval of the governor.

An office of registration is established in the capitol of every colony and any employer employing 100 men or any labor union composed of 100 men is elligible to register. It is left to the registrar to refuse to register or cancel the registration of any union that does not comply with the rules or awards. Under the original law any registered union could bring a dispute before the court or be heard in any dispute in which it was interested; this, however, was changed by the amendment of 1912. Like the states, the commonwealth law provides that any organization may enter into an agreement which, if filed, becomes binding as an award.*

The only amendment to the law was made in 1910. There were many minor changes but the only ones of importance were those which confine the jurisdiction of the court to disputes extending over state boundaries and provide for granting weak and slow workers, permits, to work for less than the legal minimum.†

The whole content of the Commonwealth law is practically the same as that of New Zealand without the conciliation councils. The court may, however, take the initiative in disputes of public interest.

CONCLUSION.

It will be readily observed from the above discussion that the different colonies have had varied experiences in attempting to

* Australian Commonwealth Acts, Vol.III., pp.29-34.
† *Ibid.*, Vol.xii., pp.5-8.

solve their labor problems. But the main distinction between the different laws in force at the present time is one only of form and extent. All have the same purpose in view and all regulate the wages of labor. The arbitration court system, however, must remain inactive until an industrial dispute is voluntarily brot before the conciliation board or the arbitration court, while a minimum wage board assumes the aggressive and as soon as it is constituted it sets to work investigating the conditions of the industry for which it is created and then it proceeds to fix the minimum rate of wages and of piece rates, maximum hours of labor, maximum number of apprentices, etc. in that industry. Furthermore, a special board is created for each industry and it can deal with the industry for which it is appointed only, whereas, the arbitration court deals with any dispute brot before it no matter which or how many industries are concerned. The court consists of one judge appointed by the governor. On the other hand, the board is composed of from four to ten members elected by employers' and labor unions, with an independent chairman. The arbitration court system provides for the settlement of all industrial disputes and makes strikes and lockouts illegal, while the wages board system is not for the purpose of settling disputes and does not prevent strikes and lockouts, but, at the will of the government, it interferes in behalf of society to protect laborers from exploitation by fixing the minimum wage line. The ultimate results of the two systems, however, are practically the same as far as fixing certain definite minimum conditions of employment is concerned. Each colony thus meets its problems in its chosen way. While New Zealand, Western

Australia and the Commonwealth have arbitration courts and Victoria and Tasmania wages boards, New South Wales, Queensland, and South Australia have combinations of the two.

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